



**Responses to Inquiries
RFP 14-10
Real Estate Consulting Services**

1. Please provide a list of real estate, timberland, farmland, and infrastructure investments and commitments including partnership name, investment manager/GP name, date of investment, current NAV, and unfunded commitment amount.

Answer:

Investment	Vintage	Commitment	Unfunded Commitment	Reported Valuation
Blackstone Co-Investment	2010	56,053,066	2,669,194	15,955,903
Blackstone Real Estate Partners VI L.P.	2007	60,000,000	7,176,469	66,415,133
Blackstone Real Estate Partners VII L.P.	2012	100,000,000	42,443,048	66,371,616
Colony Distressed Credit Fund	2008	75,000,000	4,161,542	48,632,600
Exeter Industrial Value Fund III L.P.	2014	65,000,000	65,000,000	n/a
GAP VI Office Co-Investor LP	2012	50,000,000	4,117,307	46,325,760
H/2 Investors II L.P.	2010	100,000,000	0	140,081,630
H2 Core Real Estate Debt Fund	2013	100,000,000	37,741,917	63,586,669
Harrison Street Core Property Fund LP	2012	100,000,000	0	109,832,610
Harrison Street Real Estate Partners III, L.P.	2010	50,000,000	12,960,199	41,843,606
House Investment Opportunity Fund III-A, LP	2005	6,219,000	4,638,178	45,900
House Investments - Real Estate Opportunity Fd III	2003	11,440,000	0	739,400
House Investments -- Real Estate Opportunity Fd IV	2006	4,865,973	799,750	807,200
JDM Partners Opp Fund I	2010	15,000,000	413,793	24,815,914
LaSalle Investment Management - Growth and Income Fund V	2007	45,000,000	3,216,932	33,093,654
Lone Star Fund VI (secondary)	2007	29,569,877	6,992,499	17,765,786
Mesa West Core Lending Fund, L.P.	2013	100,000,000	61,511,547	38,584,280
Mesa West Real Estate Income Fund II	2009	75,000,000	46,138,060	48,425,203
Prima Mortgage Investment Trust	2009	150,000,000	0	175,576,014
Stockbridge - Smart Markets Fund	2012	150,000,000	75,000,000	84,594,677
Stockbridge Value Fund Partners, LP	2011	50,000,000	20,775,986	37,017,647
Stockbridge Value Fund Partners II, LP	2014	75,000,000	75,000,000	n/a
TA Realty Fund VII	2005	30,000,000	0	14,815,680
TA Realty Fund VIII	2007	30,000,000	0	19,328,456
Walton Street Real Estate Fund V-PDF	2009	80,000,000	0	82,218
Walton Street Real Estate Fund VI-Q L.P.	2008	75,000,000	19,647,651	71,977,923
Walton Street Real Estate Fund VII LP	2012	100,000,000	92,526,903	8,225,307
WestRiver Capital, LLC	2010	30,000,000	4,866,148	26,756,225

2. How many in person meetings with INPRS do you anticipate the consultant will attend each year?

Answer: It is anticipated that the consultant would attend 3-4 in-person meetings a year at INPRS office.

3. The scope as delineated in Item 5. Monitoring Item d indicates the consultant will attend annual meetings. Please provide an estimate of how many of these types of meetings you would anticipate the consultant would be asked to attend.

Answer: Approximately 5-7.

4. Could you please clarify the language in the Monitoring section of the Real Estate Consulting Scope of Services with respect to attendance of annual meetings? Does INPRS request or require the Consultant to act on its behalf with respect to any duties at the annual meetings and/or advisory board meetings of the underlying fund investments?

Answer: It would be preferred if the consultant could attend, along with an INPRS staff person, a majority of the annual meetings. INPRS does not request or require the Consultant to act on its behalf with respect to any duties at the annual meetings and/or advisory board meetings.

5. What is the anticipated (i) number of new investments and (ii) number of re-ups anticipated over the three year initial term of the contract?

Answer: The number of new investments in a three year period is estimated to be approximately 3-5, and the number of re-ups anticipated is 4-6.

6. Does the Scope of Services include the oversight and/or management of any direct real estate holdings owned by INPRS or any of its underlying plans?

Answer: No.

7. Is the current consultant being considered as part of this process?

Answer: Yes.

8. What are the annual fees for the existing contract that the Board is paying to its current consultant? Are there project-related fees associated with the current arrangement that are not part of the base fee?

Answer: \$322,000 for fiscal year ended June 30, 2013. There are no project-related fees associated with the current arrangement.

9. Do you have any specific issues in regards to your current consultant?

Answer: No.

10. What do you think is the single most important characteristic of an investment consulting firm?

Answer: The ability to provide objective advice based on experience and a meticulous diligence process.

11. How many Board meetings per year are anticipated? Do you have a preliminary schedule of the Board meetings?

Answer: The Consultant would not be required to attend every INPRS Board meeting. Instead, it is likely the Consultant may be asked to attend 1-2 Board meetings a year.

12. What is the most important investment issue your fund is currently facing?

Answer: At the total fund level, our most important issue is how to most efficiently and effectively achieve our long-term rate of return assumption, 6.75%.